

MARGARET DONNELLAN TODD
COUNTY LIBRARIAN

March 20, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE PUBLIC LIBRARY APPROPRIATION ADJUSTMENT FINANCING
2001-02 CARRYOVER PROJECTS AND UNANTICIPATED COSTS
(ALL SUPERVISORIAL DISTRICTS) (4-VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve an appropriation adjustment in the amount of \$396,000 for library operations for carryover projects that are financed by various revenues.
2. Approve an appropriation adjustment in the amount of \$2,343,000 for library operations involving the use of additional fund balance of \$2,293,000 that was not previously anticipated in the budget and is currently reserved in the Public Library's Appropriation for Contingency Account, and a \$50,000 transfer to the Accumulated Capital Outlay (ACO) Fund from the Operating Fund.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Public Library is requesting Board approval of appropriation adjustments to the Department's 2002-03 operating budget totaling \$2,739,000. Because the County's accounting process does not automatically carry over and reappropriate funding for projects that are in progress at the end of the fiscal year, the Public Library is required to request the funds be reappropriated by your Board for the various projects. The adjustments consist of the following:

- \$396,000 for specific facility improvement projects that were in progress during Fiscal Year 2001-02 that will be financed by revenue.

- . \$1,258,000 of funding that was earmarked for specific facility projects, equipment and other Services and Supplies expenditures that were not completed by the end of Fiscal Year 2001-02.
- . \$1,035,000 for mandatory expenditures and cost increases not anticipated in the adopted budget.
- . \$50,000 to be transferred from the Public Library's Operating Fund to the Department's ACO Fund for the replacement of the Integrated Library System.

Implementation of Strategic Plan Goals

All of the proposed expenditures will allow the Department to better serve the public without increasing ongoing costs. In addition, the recommended adjustments are consistent with the County's strategic plan goals of service excellence, organizational effectiveness, and fiscal responsibility.

FISCAL IMPACT/FINANCING

The final 2002-03 County budget adopted by the Board on October 1, 2002 provided \$2,293,000 additional fund balance beyond what was previously assumed in the budget, and these funds were reserved in the Appropriation for Contingency Account for future use as approved by the Board of Supervisors. This additional fund balance resulted from projects that were underway, but not completed, when the books were closed for Fiscal Year 2001-02, unanticipated revenues, and expenditure controls that were in place.

The spending proposed by the appropriation adjustments uses one-time funds and does not establish new service requirements. The revenue-offset projects are fully financed and will not increase the Public Library's costs.

FACTS AND LEGAL PROVISIONS

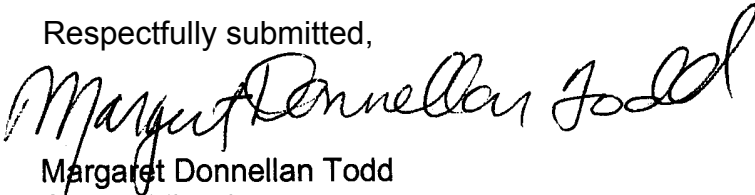
State law authorizes the Board of Supervisors to transfer available funds from the Appropriation for Contingency Account to the operating budget with four votes of the Board members. In previous years, the Board has routinely approved the transfer of funds from this account within the Public Library's budget.

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IMPACT ON CURRENT SERVICES

The expenditures proposed in the adjustments will allow the Public Library to continue existing services. If the adjustments are not approved, the Department would be required to either eliminate the projects or make other budget reductions within the operating budget to offset the mandatory costs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Margaret Donnellan Todd", written over the printed name.

Margaret Donnellan Todd
County Librarian

MDT:MH
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Attachments

c: Chief Administrative Officer
Auditor-Controller

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